



General Assembly

Amendment

February Session, 2016

LCO No. 5984



Offered by:

SEN. FASANO, 34th Dist.

SEN. FRANTZ, 36th Dist.

To: House Bill No. 5378

File No. 741

Cal. No. 521

"AN ACT CONCERNING THE STANDARD RATE OF WAGES."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Section 31-57f of the general statutes is repealed and the
4 following is substituted in lieu thereof (*Effective October 1, 2016*):

5 (a) As used in this section: (1) "Required employer" means any
6 provider of food, building, property or equipment services or
7 maintenance listed in this subdivision whose rate of reimbursement or
8 compensation is determined by contract or agreement with (A) the
9 state or any state agent, or (B) for the purpose of any contract for the
10 provision of security or janitorial services only, the Connecticut
11 Airport Authority: [(A)] (i) Building, property or equipment service
12 companies; [(B)] (ii) management companies providing property
13 management services; and [(C)] (iii) companies providing food
14 preparation or service, or both; (2) "state agent" means any state
15 official, state employee or other person authorized to enter into a

16 contract or agreement on behalf of the state; (3) "person" means one or
17 more individuals, partnerships, associations, corporations, business
18 trusts, legal representatives or organized groups of persons; (4)
19 "building, property or equipment service" means any janitorial,
20 cleaning, maintenance, security or related service; (5) "prevailing rate
21 of wages" means the hourly wages paid for work performed within the
22 city of Hartford under the collective bargaining agreement covering
23 the largest number of hourly nonsupervisory employees employed
24 within Hartford County in each classification established by the Labor
25 Commissioner under subsection (e) of this section, provided the
26 collective bargaining agreement covers no less than five hundred
27 employees in the classification; (6) "prevailing rate of benefits" means
28 the total cost to the employer on an hourly basis for work performed
29 within the city of Hartford, under a collective bargaining agreement
30 that establishes the prevailing rate of wages, of providing health,
31 welfare and retirement benefits, including, but not limited to, (A)
32 medical, surgical or hospital care benefits; (B) disability or death
33 benefits; (C) benefits in the event of unemployment; (D) pension
34 benefits; (E) vacation, holiday and personal leave; (F) training benefits;
35 and (G) legal service benefits, and may include payment made directly
36 to employees, payments to purchase insurance and the amount of
37 payment or contributions paid or payable by the employer on behalf of
38 each employee to any employee benefit fund; (7) "employee benefit
39 fund" means any trust fund established by one or more employers and
40 one or more labor organizations or one or more other third parties not
41 affiliated with such employers to provide, whether through the
42 purchase of insurance or annuity contracts or otherwise, benefits
43 under an employee health, welfare or retirement plan, but does not
44 include any such fund where the trustee or trustees are subject to
45 supervision by the Banking Commissioner of this state or of any other
46 state, or the Comptroller of the Currency of the United States or the
47 Board of Governors of the Federal Reserve System; and (8) "benefits
48 under an employee health, welfare or retirement plan" means one or
49 more benefits or services under any plan established or maintained for
50 employees or their families or dependents, or for both, including, but

51 not limited to, medical, surgical or hospital care benefits, benefits in
52 the event of sickness, accident, disability or death, benefits in the event
53 of unemployment, retirement benefits, vacation and paid holiday
54 benefits, legal service benefits or training benefits.

55 (b) On and after July 1, 2000, the wages paid on an hourly basis to
56 any employee of a required employer in the provision of food,
57 building, property or equipment services provided to the state
58 pursuant to a contract or agreement with the state or any state agent
59 or, for the provision of security or janitorial services, the Connecticut
60 Airport Authority, shall be at a rate not less than the standard rate
61 determined by the Labor Commissioner pursuant to subsection (g) of
62 this section.

63 (c) Any required employer or agent of such employer that violates
64 subsection (b) of this section shall pay a civil penalty in an amount not
65 less than two thousand five hundred dollars but not more than five
66 thousand dollars for each offense. The contracting department of the
67 state that has imposed such civil penalty on the required employer or
68 agent of such employer shall, within two days after taking such action,
69 notify the Labor Commissioner, in writing, of the name of the
70 employer or agent involved, the violations involved and steps taken to
71 collect the fine.

72 (d) The Labor Commissioner may make complaint to the proper
73 prosecuting authorities for the violation of any provision of subsection
74 (b) of this section.

75 (e) For the purpose of predetermining the standard rate of covered
76 wages on an hourly basis, the Labor Commissioner shall establish
77 classifications for all hourly nonsupervisory employees based on the
78 applicable occupation codes and titles set forth in the federal Register
79 of Wage Determinations under the Service Contract Act of 1965, 41
80 USC 351, et seq., provided the Labor Commissioner shall classify any
81 individual employed on or before July 1, 2009, as a grounds
82 maintenance laborer or laborer as a janitor, and shall classify any

83 individual hired after July 1, 2009, performing the duty of grounds
84 maintenance laborer, laborer or janitor as a light cleaner, heavy
85 cleaner, furniture handler or window cleaner, as appropriate, and shall
86 classify any individual employed on and after July 1, 2016, as a
87 housekeeping aide as a light cleaner. The Labor Commissioner shall
88 then determine the standard rate of wages for each classification of
89 hourly nonsupervisory employees which shall be (1) the prevailing
90 rate of wages paid to employees in each classification, or if there is no
91 such prevailing rate of wages, the minimum hourly wages set forth in
92 the federal Register of Wage Determinations under the Service
93 Contract Act, plus (2) the prevailing rate of benefits paid to employees
94 in each classification, or if there is no such prevailing rate of benefits, a
95 thirty per cent surcharge on the amount determined in subdivision (1)
96 of this subsection to cover the cost of any health, welfare and
97 retirement benefits or, if no such benefits are provided to the
98 employees, an amount equal to thirty per cent of the amount
99 determined in subdivision (1) of this section, which shall be paid
100 directly to the employees. The standard rate of wages for any
101 employee entitled to receive such rate on or before July 1, 2009, shall
102 not be less than the minimum hourly wage for the classification set
103 forth in the federal Register of Wage Determinations under the Service
104 Contract Act plus the prevailing rate of benefits for such classification
105 for as long as that employee continues to work for a required
106 employer.

107 (f) Required employers with employees covered by collective
108 bargaining agreements which call for wages and benefits that are
109 reasonably related to the standard rate of wages shall not be
110 economically disadvantaged in the bidding process, provided the
111 collective bargaining agreement was arrived at through arms-length
112 negotiations.

113 (g) (1) The Labor Commissioner shall, in accordance with subsection
114 (e) of this section, determine the standard rate of wages for each
115 classification on an hourly basis where any covered services are to be
116 provided, and the state agent empowered to let such contract shall

117 contact the Labor Commissioner at least ten days prior to the date such
118 contract will be advertised for bid, to ascertain the standard rate of
119 wages and benefits and shall include the required number of hours
120 necessary for the performance of such contract and the standard rate of
121 wages and benefits on an hourly basis for all classifications of
122 employment in the proposal for the contract and shall include a
123 worksheet, in a form prescribed by the commissioner, listing the cost
124 details of such required number of hours. The standard rate of wages
125 [on an hourly basis] and benefits shall, at all times, be considered the
126 minimum rate for the classification for which it was established.

127 (2) Each required employer shall indicate in a proposal for a
128 contract or agreement with the state or any state agent for the
129 provision of food, building, property or equipment service whether the
130 employees providing such food, building, property or equipment
131 service are covered by collective bargaining agreements and, if so, such
132 required employer shall provide a copy of such collective bargaining
133 agreements to the state or state agent.

134 (h) Where a required employer is awarded a contract to perform
135 services that are substantially the same as services that have been
136 rendered under a predecessor contract, such required employer shall
137 retain, for a period of ninety days, all employees who had been
138 employed by the predecessor to perform services under such
139 predecessor contract, except that the successor contract need not retain
140 employees who worked less than fifteen hours per week or who had
141 been employed at the site for less than sixty days. During such ninety-
142 day period, the successor contract shall not discharge without just
143 cause an employee retained pursuant to this subsection. If the
144 performance of an employee retained pursuant to this subsection or
145 section 4a-82 is satisfactory during the ninety-day period, the successor
146 contractor shall offer the employee continued employment for the
147 duration of the successor contract under the terms and conditions
148 established by the successor contractor, or as required by law. The
149 provisions of this subsection shall not apply to any contract covered by
150 section 31-57g or subsections (n) and (o) of section 4a-82.

151 (i) Each required employer subject to the provisions of this section
152 shall (1) keep, maintain and preserve such records relating to the
153 wages and hours worked by each employee and a schedule of the
154 occupation or work classification at which each person is employed
155 during each work day and week in such manner and form as the Labor
156 Commissioner establishes to assure the proper payments due to such
157 employees, and (2) [annually] monthly or upon written request,
158 submit to the contracting state agent or the Connecticut Airport
159 Authority, if applicable, by mail, electronically or in such other manner
160 as prescribed by such state agent or the Connecticut Airport Authority,
161 a certified payroll [which] that shall consist of a complete copy of such
162 records accompanied by a statement signed by the employer, which
163 indicates that (A) such records are correct, (B) the rate of wages paid to
164 each employee is not less than the standard rate of wages required by
165 this section, (C) such employer has complied with the provisions of
166 this section, and (D) such employer is aware that filing a certified
167 payroll which it knows to be false is a class D felony for which such
168 employer may be fined not more than five thousand dollars or
169 imprisoned not more than five years, or both. Notwithstanding the
170 provisions of section 1-210, the certified payroll shall be considered a
171 public record and every person shall have the right to inspect and copy
172 such record in accordance with the provisions of section 1-212. The
173 provisions of subsections (a) and (b) of section 31-59, section 31-66 and
174 section 31-69 which are not inconsistent with the provisions of this
175 section shall apply. Any person who files a false certified payroll in
176 violation of subdivision (2) of this subsection shall be guilty of a class
177 D felony for which such person may be fined not more than five
178 thousand dollars or imprisoned not more than five years, or both.

179 (j) This section shall not apply to contracts, agreements or grants
180 which do not exceed forty-nine thousand nine hundred ninety-nine
181 dollars per annum.

182 (k) On receipt of a complaint for nonpayment of the standard rate of
183 wages, the Labor Commissioner, the Director of Wage and Workplace
184 Standards and wage enforcement agents of the Labor Department shall

185 have power to enter, during usual business hours, the place of
186 business or employment of any employer to determine compliance
187 with this section, and for such purpose may examine payroll and other
188 records and interview employees, call hearings, administer oaths, take
189 testimony under oath and take depositions in the manner provided by
190 sections 52-148a to 52-148e, inclusive. The commissioner or the
191 director, for such purpose, may issue subpoenas for the attendance of
192 witnesses and the production of books and records. Any required
193 employer, an officer or agent of such employer, or the officer or agent
194 of any corporation, firm or partnership who wilfully fails to furnish
195 time and wage records as required by law to the commissioner, the
196 director or any wage enforcement agent upon request or who refuses
197 to admit the commissioner, the director or such agent to a place of
198 employment or who hinders or delays the commissioner, the director
199 or such agent in the performance of any duties in the enforcement of
200 this section shall be fined not less than twenty-five dollars nor more
201 than one hundred dollars, and each day of such failure to furnish time
202 and wage records to the commissioner, the director or such agent shall
203 constitute a separate offense, and each day of refusal of admittance, of
204 hindering or of delaying the commissioner, the director or such agent
205 shall constitute a separate offense.

206 (l) Notwithstanding subsection (j) of this section, any employer that
207 pays the state for a franchise to provide food preparation or service, or
208 both, for the state shall be required to certify that the wages and
209 benefits paid to its employees are not less than the standard rate
210 established pursuant to this section, provided, if no prevailing rate of
211 wages or benefits was in effect at the time the state entered into a
212 franchise agreement, then the employer shall not be required to pay
213 the prevailing rate of wages or benefits during the life of the
214 agreement, unless the agreement is amended, extended or renewed.

215 (m) The Labor Commissioner may adopt regulations, in accordance
216 with chapter 54, to carry out the provisions of this section.

217 (n) The provisions of this section and any regulation adopted

218 pursuant to subsection (m) of this section shall not apply to any
219 contract or agreement entered into before July 1, 2000."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2016</i>	31-57f